

Appendix table 4-30.

Budgetary impact of Federal research and experimentation tax credit: fiscal years 1981–2000
(Millions of dollars)

Year	Outlay equivalent cost of credit (current dollars) ^a	Total Federal R&D outlays (current dollars)	Ratio of outlay equivalent cost to Federal R&D outlay (percent)	Outlay equivalent cost of credit (constant 1996 dollars) ^a
1981	205	34,168	0.6	334
1982	640	34,660	1.8	974
1983	1,010	35,900	2.8	1,472
1984	3,360	40,986	8.2	4,723
1985	2,430	47,216	5.1	3,307
1986	2,295	52,141	4.4	3,049
1987	2,715	53,256	5.1	3,511
1988	1,240	56,100	2.2	1,553
1989	1,590	60,760	2.6	1,917
1990	1,625	63,810	2.5	1,888
1991	1,070	62,183	1.7	1,197
1992	1,850	64,728	2.9	2,017
1993	1,900	68,378	2.8	2,023
1994	2,110	66,453	3.2	2,199
1995	1,820	68,432	2.7	1,856
1996	1,245	68,439	1.8	1,245
1997	1,360	71,073	1.9	1,334
1998	3,270	72,803	4.5	3,162
1999	2,625	74,136	3.5	2,504
2000	2,510	73,947	3.4	2,349

^a Outlay equivalent estimates are comparable to taxable outlay figures reported in the budget. These estimates make possible a comparison of the resource cost of the tax credit with the cost of direct Federal R&D expenditure support.

NOTES: Tax expenditure estimates are prepared by the U.S. Treasury Department, based on the income tax law enacted as of December 31 of the year for which the expenditures are reported. Figures in constant 1996 dollars were obtained using fiscal year GDP implicit price deflators. (See appendix table 4-1.)

SOURCES: U.S. Office of Management and Budget, *Historical Tables and Budget of the United States Government* (Washington, DC, U.S. Government Printing Office, annual series); and National Science Foundation, Division of Science Resources Studies, *Federal Funds for Research and Development: Fiscal Years 1999, 2000, and 2001*, Detailed Statistical Tables, NSF 01-328 (Arlington, VA, June 2001).